

**San Joaquin Valley Air Pollution Control District**  
**EMISSION REDUCTION CREDIT PACKAGE SUMMARY**  
**HECA LLC**  
(April 15<sup>th</sup>, 2010)

<b>DOCKET</b>	
<b>08-AFC-8</b>	
DATE	APR 15 2010
RECD.	JUN 10 2010

All of the Emission Reduction Credits (ERCs) necessary for the HECA project, as required in the current SJVAPCD Air Permit Application with a ratio of 1:1.3 for VOC (as the source of the VOC ERC is within 15 miles of the HECA project site) and 1:1.5 for all other required emission reductions, have been procured.\*

\*The ERC certificates are either (i) issued to Hydrogen Energy California LLC, a Delaware limited liability company ("HECA"), or (ii) committed to HECA through executed agreements with ERC holders.

The required ERCs for HECA's SJVAPCD Air Permit Application are as follows:

Type	ERC Procured	HECA Emissions X 1.5 (or 1.3)**	Surplus
<i>Shown as short tons/year, Equally Distributed among Quarters</i>			
VOC (Volatile Organic Compounds)**	68.00	67.54	0.46
NOx (Nitrogen Oxides)	305.00	291.92	13.08
SOx (Sulfur Oxides)	106.70	58.08	48.62
PM <sub>10,2.5</sub> (Particulate Matter)	167.30*	167.30	0.00

\*A ratio of 1:1 has been used to procure SOx certificates that are to be applied to PM emissions.

\*\*A ratio of 1:1.3 has been used for VOC, as the source of VOC ERCs is within 15 miles of the HECA project site (new emission source).

The ERC package is composed of ERCs that have been generated from three locations and ownerships:

<b>Big West of California, LLC ("Big West")</b>			
<i>Transfer to HECA LLC, date</i>	<i>11/2009</i>		
<b>NOx</b>			
Tons/year	<b>241.00</b>		
lb/quarter, Equally Distributed among Quarters	<b>120,500</b>		
Certificate Number	<b>S-3273-2</b>		

Current Ownership	Hydrogen Energy California LLC		
Location of Reduction	6500 Refinery Ave, Bakersfield, CA Section: NE27, Township: 29S, Range: 27E		
Method of Reduction	Shutdown of Catalytic Cracker, Fluid Cocker, and CO Boiler		
<b>SOx</b>			
Tons/year	<b>84.00</b>		
lb/quarter, Equally Distributed among Quarters	<b>42,000.00</b>		
Certificate Number	S-3275-5		
Current Ownership, 2010	Hydrogen Energy California LLC		
Location of Reduction	6451 Rosedale Hwy, Area I, Bakersfield, CA Section: NE27, Township: 29S, Range: 27E		
Method of Reduction	Shutdown of Tail Gas Incinerator, 2007027A		
<b>Aer Glan Energy LLC ("Aer Glan")</b>		First 2011 Purchase	Final 2011 Purchase
<i>Transfer to HECA LLC, date</i>	<i>1/2010</i>	<i>2/2011</i>	<i>4/2011</i>
<b>VOC</b>			
Tons/year	<b>29.25</b>	<b>22.875</b>	<b>15.875</b>
lb/quarter, Equally Distributed among Quarters	<b>14,625.00</b>	<b>11,437.50</b>	<b>7,937.50</b>
Certificate Number	S-3305-1	S-3306-1	S-3306-1
Current Ownership, 2010	Hydrogen Energy California LLC	Aer Glan	Aer Glan
Location of Reduction	20807 Stockdale Hwy, Bakersfield, CA (Major SS) Section: NE06, Township: 30S, Range: 26E		
Method of Reduction	Shutdown of Entire Stationary Source		
<b>G.I.C. Financial Services, Inc. ("G.I.C.")</b>			Final 2011 Purchase
<i>Transfer to HECA LLC, date</i>	<i>3/2010</i>		<i>5/2011</i>
<b>NOx</b>			
Tons/year	<b>20.20</b>		<b>43.80</b>
lb/quarter, Equally	<b>10,100.00</b>		<b>21,900.00</b>

Distributed among Quarters			
Certificate Number	C-1058-2		C-1059-2
Current Ownership, 2010	Hydrogen Energy California LLC		G.I.C.
Location of Reduction	11535 E Mountain View Ave., Kingsburg, CA		
Method of Reduction	Install Selective Catalytic Reduction, SCR, and Scrubber and convert from fuel oil to natural gas		
SOx			
Tons/year	49.00		141.00
lb/quarter, Equally Distributed among Quarters	24,500.00		70,500.00
Certificate Number	C-1058-5		C-1059-5
Current Ownership, 2010	Hydrogen Energy California LLC		G.I.C.
Location of Reduction	11535 E Mountain View Ave., Kingsburg, CA		
Method of Reduction	Install Selective Catalytic Reduction, SCR, and Scrubber and convert from fuel oil to natural gas		

### **Big West of California, LLC, a Utah limited liability company**

The quantities, equally distributed among quarters, in the table above are currently under HECA's ownership. The emission reductions were generated from a location that is less than 20 miles from the HECA project site.

### **Aer Glan Energy LLC, a Delaware limited liability company**

The quantities, equally distributed among quarters, in the table above have been transferred to HECA or are under contract with HECA. The emission reductions were generated from a location that is less than 10 miles from the HECA project site. For this reason a multiplication factor of 1.3 has been applied to the expected physical emissions to determine the needed ERCs volumes.

A portion of the VOC ERCs have been transferred to HECA pursuant to a direct sale. The remaining VOCs will be transferred to HECA LLC in two transactions which are contingent upon the positive progression of agreed project milestones.

### **G.I.C. Financial Services, Inc., a Delaware corporation**

The quantities, equally distributed among quarters, in the table above have been transferred to HECA or are under contract with HECA. The emission reductions were generated from a location that is less than 100 miles from the HECA project site.

A portion of the G.I.C. NOx and SOx ERCs have been transferred to HECA pursuant to a direct sale. The remaining G.I.C. NOx and SOx ERCs will be transferred to HECA in the event that HECA elects to exercise the option to purchase such ERCs on or before May 2011.



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT  
COMMISSION OF THE STATE OF CALIFORNIA  
1516 NINTH STREET, SACRAMENTO, CA 95814  
1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION  
FOR THE *HYDROGEN ENERGY*  
*CALIFORNIA PROJECT*

Docket No. 08-AFC-8

PROOF OF SERVICE LIST  
(Rev. 5/10/10)

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### **DECLARATION OF SERVICE**

I, Dale Shileikis, declare that on June 10, 2010, I served and filed copies of the attached San Joaquin Valley Air Pollution Control District Emission Reduction Credit Package Summary, dated April 15, 2010. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at: **[[www.energy.ca.gov/sitingcases/hydrogen\\_energy](http://www.energy.ca.gov/sitingcases/hydrogen_energy)].**

The documents have been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

**(Check all that Apply)**

#### **FOR SERVICE TO ALL OTHER PARTIES:**

X sent electronically to all email addresses on the Proof of Service list

X by personal delivery or by depositing in the United States mail at San Francisco, CA with first-class postage thereon fully prepaid and addressed as provided on the Proof of Service list above to those addresses **NOT** marked "email preferred."

**AND**

#### **FOR FILING WITH THE ENERGY COMMISSION:**

X sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below (***preferred method***);

**OR**

       depositing in the mail an original and 12 paper copies, as follows:

#### **CALIFORNIA ENERGY COMMISSION**

Attn: Docket No. 08-AFC-8  
1516 Ninth Street, MS-4  
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[docket@energy.state.ca.us](mailto:docket@energy.state.ca.us)

I declare under penalty of perjury that the foregoing is true and correct.



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